

INSIDE VIRGINIA

TO KEEP YOU INFORMED OF PROGRAMS, EVENTS AND OPPORTUNITIES THAT CREATE THE VIRGINIA BUSINESS ADVANTAGE

AUGUST 2002

More Flexibility Announced In Loan Fund

DBA is pleased to announce broader, more flexible criteria for its Virginia Economic Development Revolving Loan Fund. According to Agency Director Chuck Mills, the changes are designed to ensure that state and federal money is used where it is most likely to make the most positive impact, particularly in job creation.

The Virginia Economic Development Revolving Loan Fund (EDLF) is managed by the Virginia Small Business Financing Authority (VSBFA), which is administered by DBA. The EDLF is designed to fill the gap between private debt financing and equity, with the goal of creating jobs, promoting investment and garnering new revenues for the State's economy.



The new changes create additional opportunities for both private and public borrowers. Previously limited to funding only manufacturing projects, the EDLF is now free to fund such diverse applications as: the purchase of real estate by industrial development authorities; projects that attract tourism dollars from outside Virginia; technology infrastructure; tenant improvements; and, in limited circumstances, permanent working capital. The amount that can be advanced for each newly created, or retained, job has been increased from \$10,000 to \$35,000, and the \$1,000,000 cap on EDLF loans has been loosened when lending to Industrial Development Authorities. Bankers, business owners and our economic development partners are encouraged to 'think out of the box' and contact us to discuss any of their financing needs. **For more information on the EDLF, visit WWW.DBA.STATE.VA.US/FINANCING or call (804) 371-8254.**

Small Business Incubator Conference A Success

The Virginia Business Incubation Association recently held its Annual Conference in Richmond. Attendees heard speakers talk about funding of incubators, incubator best management practices, and how to best assist clients or tenants, among other topics. Former Secretary of Commerce and Trade and current President and CEO of the Virginia Biotechnology Research Park, Bob Skunda hosted the group for a reception and tour of the Biotech Park. During the meeting, David Lohr, Executive Director of the Virginia Biosciences Development Center was elected as the new President of the Association. Marty Kaszubowski, Director of the Hampton Roads Technology Incubator was elected as Vice-President and Lisa Ison, President of New Century Venture Center was elected as Secretary-Treasurer. New Board members include Lisa Smith of Angle Technology Group, David Bartles of Winchester Incubation

Regional Enterprise and Scott Townsend of Hale and Dorr, LLP.

The National Business Incubation Association will hold its annual conference in Richmond in May 2003. The conference is expected to attract 600 to 800 delegates from every state in the nation and from at least 45 foreign countries. Hats off to the City of Richmond's IDA for securing this important event in Virginia! **For more information on Incubators in Virginia visit WWW.DBA.STATE.VA.US and WWW.VBIA.COM or contact Rob R. Blackmore at DBA at rblackmore@dba.state.va.us or (804) 371-8260.**

Eight Organizations Receive Grants for Small Business Incubators

Governor Mark R. Warner recently announced the latest grant recipients of the Virginia Small Business Incubator Program. Eight organizations from across the Commonwealth were awarded grants totaling \$217,500 for the purpose of creating or strengthening small business incubators. DBA's Virginia Small Business Incubator Program provides grants to local and regional non-profit groups to establish and operate small business incubators. The program offers grants, awarded on a competitive basis, to be used for feasibility studies, program support, or construction and renovation.

The Governor awarded a feasibility study grant to the South Boston Industrial Development Authority. The Governor awarded program support grants to the AdvanTech Incubator in Richmond, the Hampton Roads Technology Incubator in Hampton, the Jefferson Davis Enterprise Center in Chesterfield County, the Mountain Empire Regional Business Incubator in Norton, the New Century Venture Center in Roanoke, the New River Valley Competitiveness Center in Radford, and the Richlands Small Business Incubator in Tazewell County.

There are 27 publicly supported or non-profit incubators throughout Virginia, most of these having started with state funding assistance. Small



business incubators help entrepreneurs and startup businesses by providing the expertise, networks and tools needed to make their ventures successful. Research shows that 87 percent of companies graduating from incubation programs continue to prosper as dynamic members of the business community, far outpacing the success rate of traditional startups. Since its inception in 1998, the Virginia Small Business Incubator Program has provided 65 grants totaling over \$3.7 million to organizations across Virginia, which in turn leveraged an additional \$24 million in other financing for the incubators.

DBA Helps New Danville Company with Training and Financing

EsselPropack America, LLC, a tubing manufacturer, has chosen the City of Danville as the location for its first U.S. manufacturing facility. EsselPropack, headquartered in India, plans to create 81 new jobs through a \$21 million investment. Manuel Diez, Manager of EsselPropack, said the company chose Danville because the area offers adequate industrial infrastructure, a skilled workforce, a quality education system to train employees, excellent transportation access, and significant cost benefits.

DBA's Workforce Services division will provide EsselPropack with workforce training services to include recruitment support, pre-employment assessment, funding, and electronic media. The agency's Virginia Small Business Financing Authority will assist the City of Danville's Industrial Development Authority with financing.

Are You Doing Business Globally?

Whether your answer is yes or no, you can't afford to miss the next Virginia Economic Development Seminar in Virginia Beach on September 11. "Achieving Success on a Global Scale" will feature Virginia companies who are successfully exporting both goods and services. Follow the link under "Upcoming Events" on DBA's web site at WWW.DBA.STATE.VA.US for more information and registration materials, or call Debbie Melvin at (804) 371-0371.

IRS Offers CDs for Small Businesses

The Internal Revenue Service has developed three CDs to assist small businesses:

- Introduction to Federal Taxes for Small Business/Self Employed
- Virtual Small Business Workshop
- 2002 Small Business Resource Guide

To receive the free CDs, call 800-829-3676 or order online at WWW.IRS.GOV/. Look under Contents for "Businesses" and click on "Small Bus/Self-Employed."

Regional Economic Data Available

Concerned about the economy's effect on your community? DBA's Research team can provide you with free, up-to-date, region-specific economic data. Our economic experts are available to write articles, speak at your organization's events, or offer statistics or quotes. Contact Jay Ruehrmund, Research Director, at jruehrmund@dba.state.va.us or (804) 371-0071.

The Research team also compiles comparisons of labor force statistics for Virginia and the nation in their monthly *Economic Conditions*. Another helpful Research publication is the *Manufacturing in Virginia* series, which consists of an overview of manufacturing in the Commonwealth, as well as 19 industry-specific reports. Both of these valuable resources can be downloaded by following the links under "Featured Resources" on DBA's web site at WWW.DBA.STATE.VA.US.

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- Have a former colleague who still receives mailings and needs to be removed from our list

Email dmelvin@dba.state.va.us or call (804) 371-0371. Thank you!

Don't Miss These Events!

Virginia 2020 – 9.11-13.02

VED – 9.16-18.02

VEDA Fall Conference – 9.18-20.02

SBIR Workshop – 9.19-20.02

Virginia Forum for Excellence – 9.26.02

Emerging Business Forum – 10.20-22.02

NAWBO 2002 Women's Business Expo – 10.24.02

Women Entrepreneur's Expo – 10.25-26.02

For more info: www.dba.state.va.us/events/



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